

COVID-19 Message from the Board of Trustees

Steelworkers Pension Plan

COVID-19 continues to affect us all. Many members of the Steelworkers Pension Plan (the SPP or the Plan) work in retirement or nursing homes on the front lines of the pandemic. Many other members, including those working in airports or in security services, have continued to provide essential services, sometimes in conditions that put them at higher risk of the virus. We thank you all for your service.

During these turbulent times you might be wondering about the impact of COVID-19 on your pension.

There are three important things to remember about your Plan.

1. ***The Steelworkers Pension Plan is built for the long run.*** It has a diversified investment strategy which was prudently designed to withstand the ups and downs of the investment markets.

That strategy is working. The sharp decline of 21% in the Toronto stock market in the first three months of 2020 did impact the SPP, but the Plan can ride out the storm. Up to the end of April, the value of the Plan's diversified investment portfolio, which includes Canadian, US and global stocks, corporate and government bonds, real estate, and private debt, was down by less than 4%.

Financial markets are expected to remain volatile for some time, with lots of ups and downs. The Trustees will continue to monitor the situation to ensure that

their investment strategy continues to be effective and to ensure that the benefit formula remains appropriate in light of long-term expectations.

2. Your SPP pension is based on the contributions received on your behalf multiplied by a benefit rate based on the advice of pension professionals. ***The Plan does not operate like an RRSP.*** In RRSPs any investment loss immediately affects individual accounts which can severely impact pensioners and members close to retirement. That is not the case in your Plan. SPP ***contributions are invested in a fund of more than \$140 million so investment risk is shared by all Plan members.*** This pooling of investment risk allows investment losses to be recovered over a longer period of time before retirement benefits are affected.

3. Since the pension you earn is based on the contributions received on your behalf, ***if you are laid-off for part of the year the pension benefit you earn in 2020 may be lower than it was in previous years.*** That means COVID-19 closures may impact the pension you earn this year, not because of investment performance, but because no contributions were received for you while you were on layoff.

To find out what contributions have been received on your behalf in recent months, please sign up on the web-site

<http://steelworkerspensionplan.ca>
and click on "Plan Members Login".

Administration

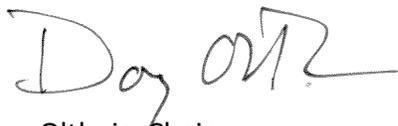
Early in the COVID-19 outbreak our pension administrator, Benefit Plan Administrators, implemented business contingency plans to keep its employees safe, while continuing to serve Plan members.

The contributions required under your collective agreement continue to be received and recorded. Retirement applications continue to be processed. The toll-free line for Plan members continues to operate.

There was some delay in some services in March and April, and for that we ask for your patience. By the time you read this message we expect that the BPA offices will be fully operating (with some modifications and health protocols).

On behalf of the Board of Trustees of the Steelworkers Pension Plan

Sincerely yours,



Doug Olthuis, Chair

May 11, 2020